

BOARD AGENDA

- **INTRODUCTION**
- **COMMISSIONER INTRODUCTION**
- **IMPACT OF PARTIAL GOV'T SHUTDOWN**
- **2019 RENTAL ASSISTANCE UPDATE**
- **ENVISION RECAPITALIZATION UPDATE**
- **FINANCING THE FUTURE**



MDHA MISSION

To create quality affordable housing opportunities, support neighborhoods, strengthen communities and help build a greater Nashville.

MDHA'S INTENT

- Preserve and grow affordable housing while caring for our residents and improving their quality of life
- Retain and improve key community assets and existing affordable housing
- When developing: Mixed Use; Mixed Income; Provide Equity and Opportunity in Housing
- Maximize neighborhood potential
- Retain and improve green and open space
- Self Develop to the fullest extent possible; No public housing land disposal; no outsourcing of current capabilities
- Use all tools available to advance Residents to self-sufficiency: Movement To Work, Jobs Plus, Section 3...

2019 Strategic Background

- National Affordable Housing Environment
 - Divided Federal Governance
 - Federal Budget Uncertainty
 - Administration's FY20 Budget due to Congress in February
 - Decreased HUD funding
 - 2018 Section 9 Public and Indian Housing Annual Contribution Contract changes
 - HUD Office of Inspector General scrutiny of De-Federalized Fund usage for local governance activities
 - Community Planning and Development Funds at risk
 - Aging Housing Stock
 - MDHA: 6197 apartments now
 - 253 market rate; 5944 (96%) affordable/rent and income restricted/subsidy
 - 2703 apartments in 6 properties over 65 years old
 - 1789 in three Envision Plans; 914 in three properties remaining

MDHA Strategic Vision (10 years)

- **Housing:**

- Maintain HUD High Performer Status & Finish RAD Portfolio Conversion
- Moving To Work (MTW) Expansion and Conversion of \$48M of Housing Voucher subsidy
 - Congressionally approved in 2016 with RAD Portfolio conversion MTW set aside
 - “Federal funds fungibility to provide:” Stable, safe mixed income apartments for those of low income; and Opportunity with job training and wage growth
 - **Resources: Equity capital support to financing recapitalization**
- RAD and Envision Recapitalization and Remediation of Concentrated Poverty
 - Grow from 6197 (96% low income apartments) to **12,495 mixed income apartments**
 - **6944 (80% AMI/low income); 3051 (80% - 120% AMI/workforce); 2500 market**
 - 9000 new mixed income apartments replacing 2702 legacy (80% AMI & below) apartments with 3702 (80% AMI & below); 3051 (80% - 120% AMI); 2247 market

- **Development:** Support Housing Vision & meet program requirements

MDHA Portfolio Plan

- Complete RAD conversion of public housing to Fee Simple ownership with no debt
- MDHA \$43M in equity reserve funds address Capital Needs for 40 year sustainability
 - All properties recently completed a capital needs assessment (CNA) conducted by a third party subject matter expert, Dominion Due Diligence
 - \$43M MDHA equity reserve funds capital repairs & reserve for repair (R4R) escrow
 - ✦ Each property budget makes monthly payments to R4R escrow to fund future Capital Needs
- Properties converting without debt and not needing recapitalization: John Henry Hale, Preston Taylor, Levy Place, Edgefield Manor, Hadley Park Towers, Madison Towers, Parkway Terrace, Parthenon Towers, Vine Hill Towers, Carleen Waller, Vine Hill Apartments
 - Potential use for equity capital
 - ✦ John Henry Hale example: \$19.3M @ 3.4% 40 year, non-recourse, HUD insured loan closed 07/20/2017
 - ✦ Levy Place: \$2.8M proceeds from 9% LIHTC award for rehabilitation
 - New equity estimate from properties not needing recapitalization = \$40M
- Recapitalize all aged properties through Envision Process (8 “aged” properties)
 - Cayce, Napier/Sudekum, Edgehill, Andrew Jackson, Cumberland, Cheatham, Neighborhood Housing (178 Duplexes/Planning TBD)

Partial Government Shutdown

- **HUD Contingency Plan and Jan 4 HUD Memo:**
 - Spending Authority expired December 21, 2018
 - ✦ No new FHA Loan applications
 - ✦ Excepted and Intermittent Staff only; not more than 15% staff
 - No RAD staff; limited Multifamily and PIH staffs
 - PIH - Rental Assistance/Vouchers: “Payment contingent on Budget Authority from prior appropriations and recaptures...”
 - ✦ MDHA received January payment of \$4.2M
 - ✦ HUD intends to pay February if possible; no funding likely after this payment
 - PBRA: “activities that impact life and safety and ongoing viability of assets... binding obligations... under terms of contracts... payment contingent on budget authority...”
 - ✦ PRAC’s: “on an as needed basis to ensure asset viability”
 - 12 of 19 contracts funded in January (automated payments)
 - All 2018 RAD converting contracts require HUD staff financial action
 - HUD intends to pay February automated contracts
 - HUD CPD – MDHA Community Development: Funded to August 2018 from FY18

Impact

- **Now: MDHA drawing on \$6M operating contingency fund in 2019 budget to cover Federal funding shortfalls**
 - MDHA coordinating with HUD POC's to activate 2018 RAD converted PBRA contracts
 - ✦ HUD limited staff; not initially seen as safety or asset viability related
 - Assuming HUD funds in February as in January, MDHA operating contingency sufficient to meet all obligations through February 28
- **Future if Partial Shutdown continues past February**
 - Voucher payments at risk
 - Operating Expenses at risk
 - MDHA reserves sufficient to cover all operating expenses, including voucher commitments and operating expenses to end of April
 - ✦ No certainty of HUD reimbursement of MDHA advanced funds
 - ✦ Negative impact to cash/equity to close recapitalization financing and to Reserve for Repair escrows
- **Future when FY19 HUD budget is approved**
 - 1 full fiscal year of rental assistance voucher funds must be expended in 8 months or less
 - HUD budget figures still uncertain; new House T-HUD budget meets Senate's

| | | | | Senate 2019 |
|--|-----------------|-----------------|-----------------|-----------------|
| | 2018 | Trump 2019 | House 2019 | |
| Housing Choice Vouchers, total | \$22,015 | \$20,550 | \$22,477 | \$22,781 |
| <i>Renewals</i> | \$19,600 | \$18,749 | \$20,107 | \$20,520 |
| <i>Administration</i> | \$1,760 | \$1,550 | \$1,800 | \$1,957 |
| <i>New Vouchers</i> | \$445 | - | \$330 | \$94 |
| Section 8 Project-Based Rental Assistance | \$11,515 | \$11,147 | \$11,747 | \$11,747 |
| Public Housing | \$7,300 | \$3,279 | \$7,300 | \$7,531 |
| Homeless Assistance | \$2,513 | \$2,383 | \$2,571 | \$2,612 |
| Housing for the Elderly | \$678 | \$601 | \$678 | \$678 |
| Housing for People with Disabilities | \$230 | \$140 | \$154 | \$154 |
| Housing Opportunities for People with HIV-AIDs | \$375 | \$330 | \$393 | \$375 |
| HOME | \$1,362 | - | \$1,200 | \$1,362 |
| HUD total | \$52,748 | \$41,423 | \$53,194 | \$54,049 |

MDHA Rental Assistance

- The Rental Assistance Department administers the Section 8 Voucher, Moderate Rehabilitation and Shelter Plus Care programs, federally funded rent supplement programs designed to help families find decent, safe and sanitary housing in the private market and to help those families with the cost of rent and utilities.
- Under these programs the family pays between 30-40 percent of its adjusted income or a minimum of \$50.00 per month for rent and utilities. MDHA with HUD funding pays the difference. The private owner and renter both benefit. The owner receives fair market rent for his/her property, and the family gets a decent, affordable place to live.
- Property in these programs must meet local code and HUD housing quality standards. Assisted dwelling units must pass a Housing Quality Standards inspection conducted by MDHA. Once the unit is approved, the Rental Assistance office executes the Housing Assistance Payments Contract with the owner and provides assistance on behalf of qualified families.

MDHA Rental Assistance

**7493 TOTAL VOUCHERS/OTHER
FORMS OF ASSISTANCE ALLOCATED**

**6646 TENANT-BASED AND
PROJECT-BASED VOUCHERS**

**485 TENANT-BASED VASH
VOUCHERS – HOMELESS VETERANS**

**32 PROJECT-BASED VASH
VOUCHERS – PATRIOT PLACE -
HOMELESS**

VETERANS

**212 SHELTER PLUS CARE –
HOMELESS INDIVIDUALS AND FAMILIES
WITH DISABILITIES**

**118 SINGLE ROOM OCCUPANCY
(SRO) – HOMELESS INDIVIDUALS**

MDHA Rental Assistance

Annual Rental Assistance Funding

- \$46.5 million (\$3,879,021 per month)
(Potentially \$49.5 for 2019).
 - For 2018, funded at \$555 per unit. However, actual per unit cost was around \$595. This means we are unable to support every voucher allocated. We are currently expending all funding utilizing 91% of our vouchers.
- \$1.6 million for 212 Shelter Plus Care Vouchers
- \$865,000 for 118 SRO units

Total Potential Annual Funding for 2019
\$51.9 million per year.

MDHA Rental Assistance

Administrative Budget

- Administrative salaries and all other associated costs for program operations are supported by administrative fees earned or allowed under each funding source.
 - Under HCV, we earn fees based on the number of voucher families under contract on the first day of each month, or lease-up rate. The fees currently earned are prorated at 80% of what we are eligible for based on our lease-up rate. We currently earn fees of about \$350,733 per month for HCV.
 - Under the SRO and Shelter Plus Care programs, we charge administrative fees in the amount of 6% of annual funding to supplement the costs to administer those programs.
 - We receive a Family Self-Sufficiency grant to support two full-time FSS Coordinator positions.

Total Administrative Budget - \$4.5 million

MDHA Rental Assistance

Program Utilization

- In order to fully utilize funding, there are several factors that must be considered on an ongoing basis. Primarily:
 - Response rate to waiting list selections – anywhere from 60-80%;
 - Number of vouchers to be issued based on the number selected;
 - Success rate of the new vouchers issued - currently between 55% and 60% - was 50% or less for the last 18 months;
 - When a new voucher is leased – because of the market in Nashville, we previously issued new vouchers with a 120-day term. Since resuming issuing vouchers in July, all vouchers are issued with a 60 day term, but families remain eligible for an extension. A twelve month average shows that about 20% of new vouchers will lease in first 30 days, 25% in 31-60 days, 20% in 61-90 days, 14% in 91-120 days; and about 20% beyond 120 days;
 - Number of terminations each month – currently 10.6% or between 60-70 per month

MDHA Rental Assistance

Program Utilization (cont'd)

Taking the above into consideration, we plan activity on a monthly basis – the number needed be selected from the waiting list in order to obtain a certain number of eligibility determinations, in order to determine the number of vouchers needing to be issued, in order to obtain number of lease ups, in order to fully utilize funding.

HUD has developed an automated Two-Year Tool that takes these data points into consideration for PHAs to use to track and plan for funding utilization. The tool is pre-loaded with the anticipated funding for each PHA and previous months activity to reflect actual costs and trends. PHAs can then plug in a number of vouchers to be issued each month and the tool will calculate anticipated expenditures for the months remaining in the 24 month period. An example of the tool follows.

MDHA Rental Assistance

| | | | | | |
|---|--|------------|--|-------|--|
| PHA Name | | PHA Number | | TN005 | |
| Metropolitan Development & Housing Agency | | | | | |

ACC/Funding Information

| ACC | Current Year (2018) | Year 2 (2019) | Year 3 (2020) |
|--|---------------------|---------------|---------------|
| Beginning ACC Vouchers | 7,016 | 7,033 | 7,033 |
| Funding Components | Current Year (2018) | Year 2 (2019) | Year 3 (2020) |
| Initial BA Funding (net offset) | \$45,153,969 | \$49,377,483 | \$48,977,361 |
| Offset of HAP Reserves | \$0 | \$0 | \$0 |
| Set Aside Funding | \$622 | \$0 | |
| New ACC Units Funding | \$7,408 | \$87,959 | \$0 |
| Total ABA Funding Provided | \$45,161,999 | \$49,465,442 | \$48,977,361 |
| PHA Income | \$153,232 | \$0 | |
| Total Cash-Supported Prior Year-End Reserves | \$410,863 | \$0 | \$488,081 |
| Total Funding | | | |
| Total Funding Available | \$45,726,094 | \$49,465,442 | \$49,465,442 |

Funding Proration/Offset Levels

| | |
|--|--------|
| Year 2 (2019) Rebenchmark | 100.0% |
| Year 3 (2020) Rebenchmark | 100.0% |
| Year 2 (2019) % 'Excess' Reserves Offset | 0.0% |
| Year 3 (2020) % 'Excess' Reserves Offset | 0.0% |
| Administrative Fees | |
| Year 1 (2018) | 80.0% |
| Year 2 (2019) | 80.0% |

Program Projection Variables

| | | | |
|---|-----|--|-------|
| Success Rate | 70% | Annual Turnover Rate | 10.5% |
| Time from Issuance to HAP Effective Date (Current: 2.28 months) | | PIC EOP % as of 10/31/2018 (682 EOPs) 10.80% | |
| % leased in 30 days | 18% | NOT FINAL Inflation Estimate | |
| % leased in 30 to 60 days | 40% | 7.9% | |
| % leased in 60 to 90 days | 38% | | |
| % leased in 90 to 120 days | 4% | | |
| % leased in 120 to 150 days | 0% | | |

Leasing and Spending Outcomes: Current and Following Year Projections

| | | | |
|--|-----------|--|--|
| 2018 | | 2019 | |
| UML % of ACC (UMA) | 91.1% | 91.5% | |
| HAP Exp as % of All Funds | 100.0% | 99.0% | |
| HAP Exp as % of Eligibility only | 101.3% | 99.0% | |
| End of Year Results | | | |
| Projected 12/31 Total HAP Reserves | -\$19,313 | \$488,081 | |
| HAP Reserves as % of ABA (Start: 0.9%) | 0.0% | 1.0% | |
| 'Excess' Reserves Subject To Offset | \$0 | \$0 | |
| End of Year 3 Results (2020) | | | |
| \$134,481 | 0.3% | Projected Total HAP Reserves Reserves % BA | |

HUD-Held Reconciliation Cash Sufficiency Check

| | | | |
|--|-----------|----------------------------------|---|
| HUD-established CYE HHR (Recon Line 19) | | \$274,588 | HUD-established CYE HHR (Recon Line 19) |
| HUD-estimated Net Excess Cash (Recon Line 19) | \$136,275 | \$1,549,487 | PHA-Held Cash 12/31/2017 (VMS) |
| HUD- Reconciled | \$410,863 | \$1,824,075 | HUD-Reconciled /Cash Capped) |
| Lower of H17/H17 (May Override) | \$410,863 | | Lower of H17/H17 (May Override) |
| HUD-Reconciled Excess Cash v PHA RNP (12/31/2017) | | | |
| HUD v. PHA difference \$28,117.00 or 0.1% of Eligibility | \$108,156 | --VMS EOY RNP EOY Excess Cash--> | \$136,275 |

False Administrative Fees Analysis

| | | | |
|------------------------------|-----------------------------|-------------------------------------|-------------|
| | | 2018 | 2019 |
| <= 7,200 UMLs (No Proration) | > 7,200 UMLs (No Proration) | Admin Fees Earned (PY: \$4,085,263) | \$4,071,374 |
| \$71.91 | \$67.12 | Expense | \$4,684,187 |
| | | Expense % | 115.1% |
| | | | 116.6% |

TN005 has a cost per UML of \$63.30 compared to its Earnings/UML & Size peer group of \$64.73 (a difference of 10.4%) and its state peer group (of all PHAs in the state) of \$60.51 (a difference of 20.3%).

Based on the most recent, official (end of fiscal year) UNP, TN005 has a projected 2019 Calendar Year-End (CYE) UNP of \$238,704 (or 5.9% of CY 2018 Earned Admin Fees) and a 2019 CYE UNP of (\$443,194) (or -10.8% of CY 2019 Earned Admin Fees).

MDHA Rental Assistance

| 2018 | UMAs | Actual UMLs | Actual HAP | Vouchers Issued/Projected To Be Issued | Other Planned Additions/ Reductions | New Leasing from Issued Vouchers | Estimated Attrition | UMLs: Actual/Projected | HAP: Actual/Projected | PUC: Actual/Projected | Manual PUC Override | Cumulative % Annual Leased | Cumulative % Eligibility Expended | Monthly UML % | Monthly ABA Expended % |
|--------|--------|-------------|--------------|--|-------------------------------------|----------------------------------|---------------------|------------------------|-----------------------|-----------------------|---------------------|----------------------------|-----------------------------------|---------------|------------------------|
| Jan-18 | 7,016 | 6,530 | \$3,789,434 | | | | | 6,530 | \$3,789,434 | \$580 | | 93.1% | 100.7% | 93.1% | 100.7% |
| Feb-18 | 7,016 | 6,523 | \$3,847,768 | | | | | 6,523 | \$3,847,768 | \$590 | | 93.0% | 101.5% | 93.0% | 102.2% |
| Mar-18 | 7,016 | 6,473 | \$3,739,682 | | | | | 6,473 | \$3,739,682 | \$578 | | 92.8% | 100.8% | 92.3% | 99.4% |
| Apr-18 | 7,016 | 6,480 | \$3,823,854 | | | | | 6,480 | \$3,823,854 | \$590 | | 92.7% | 101.0% | 92.4% | 101.6% |
| May-18 | 7,016 | 6,470 | \$3,827,761 | | | | | 6,470 | \$3,827,761 | \$592 | | 92.6% | 101.1% | 92.2% | 101.7% |
| Jun-18 | 7,016 | 6,444 | \$3,826,143 | | | | | 6,444 | \$3,826,143 | \$594 | | 92.5% | 101.2% | 91.8% | 101.7% |
| Jul-18 | 7,016 | 6,402 | \$3,816,221 | | | | | 6,402 | \$3,816,221 | \$596 | | 92.3% | 101.2% | 91.2% | 101.4% |
| Aug-18 | 7,016 | 6,372 | \$3,815,370 | | | | | 6,372 | \$3,815,370 | \$599 | | 92.1% | 101.3% | 90.8% | 101.4% |
| Sep-18 | 7,016 | 6,314 | \$3,812,286 | | | | | 6,314 | \$3,812,286 | \$604 | | 91.9% | 101.3% | 90.0% | 101.3% |
| Oct-18 | 7,016 | 6,262 | \$3,809,532 | | | | | 6,262 | \$3,809,532 | \$608 | | 91.6% | 101.3% | 89.3% | 101.2% |
| Nov-18 | 7,016 | 6,225 | \$3,831,044 | | | | | 6,225 | \$3,831,044 | \$615 | | 91.3% | 101.3% | 88.7% | 101.8% |
| Dec-18 | 7,033 | 6,208 | \$3,806,312 | 221 | | | | 6,208 | \$3,806,312 | \$613 | | 91.1% | 101.3% | 88.3% | 101.1% |
| Total | 84,209 | 76,703 | \$45,745,407 | 221 | 1 | 0 | 0.0 | 76,703 | \$45,745,407 | \$596 | | 91.1% | 101.3% | | |
| 2019 | | | | | | | | | | | | | | | |
| Jan-19 | 7,033 | 6,210 | \$3,829,213 | 50 | | | | 6,210 | \$3,829,213 | \$617 | | 88.3% | 92.9% | 88.3% | 92.9% |
| Feb-19 | 7,033 | | | 150 | 11 | 68 | -54.1 | 6,235 | \$3,864,299 | \$620 | \$620 | 88.5% | 93.3% | 88.7% | 93.7% |
| Mar-19 | 7,033 | | | 100 | 44 | 92 | -54.3 | 6,316 | \$3,934,707 | \$623 | \$623 | 88.9% | 94.0% | 89.8% | 95.5% |
| Apr-19 | 7,033 | | | 100 | 52 | 74 | -55.0 | 6,388 | \$3,999,279 | \$626 | \$626 | 89.4% | 94.8% | 90.8% | 97.0% |
| May-19 | 7,033 | | | 100 | 23 | 82 | -55.6 | 6,437 | \$4,050,684 | \$629 | \$629 | 89.8% | 95.5% | 91.5% | 98.3% |
| Jun-19 | 7,033 | | | 100 | 0 | 71 | -56.1 | 6,453 | \$4,081,358 | \$633 | \$633 | 90.1% | 96.1% | 91.7% | 99.0% |
| Jul-19 | 7,033 | | | 100 | 0 | 70 | -56.2 | 6,467 | \$4,111,262 | \$636 | \$636 | 90.4% | 96.6% | 92.0% | 99.7% |
| Aug-19 | 7,033 | | | 50 | 13 | 70 | -56.3 | 6,494 | \$4,149,281 | \$639 | \$639 | 90.6% | 97.1% | 92.3% | 100.7% |
| Sep-19 | 7,033 | | | 50 | 0 | 64 | -56.6 | 6,501 | \$4,175,349 | \$642 | \$642 | 90.8% | 97.6% | 92.4% | 101.3% |
| Oct-19 | 7,033 | | | 50 | 0 | 50 | -56.6 | 6,495 | \$4,192,495 | \$646 | \$646 | 91.0% | 98.0% | 92.3% | 101.7% |
| Nov-19 | 7,033 | | | 50 | 139 | 36 | -56.6 | 6,614 | \$4,290,983 | \$649 | \$649 | 91.3% | 98.5% | 94.0% | 104.1% |
| Dec-19 | 7,033 | | | 50 | 0 | 35 | -57.6 | 6,591 | \$4,298,452 | \$652 | \$652 | 91.5% | 99.0% | 93.7% | 104.3% |
| Total | 84,396 | 6,210 | \$3,829,213 | 950 | 285 | 712 | -615.1 | 77,200 | \$48,977,361 | \$634 | | 91.5% | 99.0% | | |

MDHA Rental Assistance

Program Highlights – For FY 2018, we scored a 100% on our Section Eight Management Assessment Program (SEMAP) certification, ranking MDHA as a High Performer PHA. During the calendar year 2018, we:

- Provided rental assistance on behalf of over 7600 households;
- Issued 1914 vouchers;
- Executed over 1300 New HAP Contracts;
- Had four families graduate the Family Self-Sufficiency (FSS) Program and purchase a home;
- Housed 223 formerly homeless individuals and families, of which 96 were Veterans; and
- Added 99 new landlords to our program.

MDHA Rental Assistance

Project Based Vouchers (PBVs)

The MDHA Board has approved the conversion of up to 900 of our tenant-based vouchers to project-based vouchers.

To date we have received 22 proposals that include existing units, units to be rehabbed and new construction that are at various stages.

Project Based Vouchers (PBVs) – cont'd

[illegible]



John Henry Hale
Preston Taylor
Sam Levy
Vine Hill
10th and Jefferson
Arts Garage
Rolling Mill Hill
Sanderling Dialysis Clinic
Barrett Manor
Urban Flats
Ryman Lofts
Nance Place

Recapitalization Update

**Intent Realized:
Mixed-Income
Communities**

RENTAL ASSISTANCE DEMONSTRATION

RAD Conversions Complete (5101 Units)

Andrew Jackson Courts
Cumberland View
Edgefield Manor
J. Henry Hale Apartments
Levy Place
Madison Towers
Napier Place
Parkway Terrace
Sudekum Apartments
Edgehill Apartments
Gernert Studio Apartments
Carleen Batson Waller Manor
Hadley Park Towers
Parthenon Towers
Cayce Place
Cheatham Place
Vine Hill Studio Apartments
Vine Hill Apartments
Historic Preston Taylor Apartments

RAD Conversions In Process (368 Units)

Neighborhood Housing (March 2019)

ENVISION LEGACY PROPERTIES

Cumberland View

North Nashville

21 Acres
226 Units
800 Potential

Cheatham Place

Germantown

14 Acres
314 Units
700 Potential

Andrew Jackson

Fisk University Area

15 Acres
374 Units
750 Potential

Edgehill Apartments

Vandy/Belmont Area

33 Acres
380 Units
1485 Potential

2723 units on five former Hope VI sites and seven towers including 125 market rate units on 227 acres in exceptional condition in the core of Nashville

Cayce + CWA

East Nashville

96 Acres
1038 Units
2700 Potential

Sudekum/Napier

East Nashville

56 Acres
821 Units
2200 Potential

**Potential for 8635 new units
on 235 acres in the core of
Nashville**

ENVISION PROCESS: *Community Driven*

Highlights of Process so Far

- Meetings with residents
- Public meetings + community charrette
- Community Advisory Group (CAG) meetings
- Interviews with key stakeholders
- Door to door resident survey
- Market assessment
- Existing conditions assessment
- Partner with Purpose Built Communities
- Continuous updates to the community



MDHA Envision Updates

Envision Cayce

- Master Planning completed July 2014
- Recapitalization underway

Envision Napier-Sudekum

- Master Planning completed Sept 2018
- Over 40 community planning meetings completed to date
- 3 community engagement events held (Resource Fair, Street Festival, Day out Against Crime)
- Comprehensive Needs Assessment completed with 383 households participating
- SP Planning and Zoning documentation and coordination
- Research for financing for initial project

Envision Edgehill

- Master Planning initiated in July 2017, with completion anticipated in March 2019
- 17 community planning meetings completed to date
- Comprehensive Needs Assessment complete Feb 18
- Next Step: SP Planning and Zoning

Note: Current Units as of 2018= 1,038
 Future Units Projected = 2,700
 Units Increase of = 1,662

- Boscobel III possibly starting in early 2019
- Others may start earlier depending on financing

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- **Boscobel III possibly starting in early 2019**
- **Others may start earlier depending on financing**

ENVISION CENTER (AMENITIES)

- **New School Building for grades K-8**
 - Up to 900 student capacity
 - Spaces for science, music, art, and life skills
 - Outdoor play spaces for students to play, learn, and gather
- **New Commissary/Library**
 - Market for fresh fruits and vegetables
 - Coffee shop
 - Line cook training space
 - Public Library
- **New Public Park**
 - Approximately 9 acres of public space
 - Large fields for sports
 - New basketball courts
 - Pavilions for events
- **Community Center**
 - Community Meeting Rooms
 - Physical Fitness Facility
- **New Clinic**
 - Neighborhood Clinic (services may include medical, dental, and pharmacy)

BARRETT MANOR

New Faircloth Amendment Units

Location: 510 Summer Pl,
Nashville, TN 37206

Architect: Barge Cauthen &
Associates

Contractor: RG Anderson

- 70 one-bedroom
apartments in 4 stories
with surface parking
- 100% PBRA
- Placed in service
September 2017

Total Cost: \$12,500,000

RHF: \$9,950,000

Metro CIB: \$2,050,000

THDA Grant: \$500,000



10TH & JEFFERSON

New Mixed-Income Apartments in Germantown

Location: 941 Jefferson
Street, Nashville, TN 37208

Architect: Kline Swinney
Associates
Contractor: Levine & Poor,
Inc.

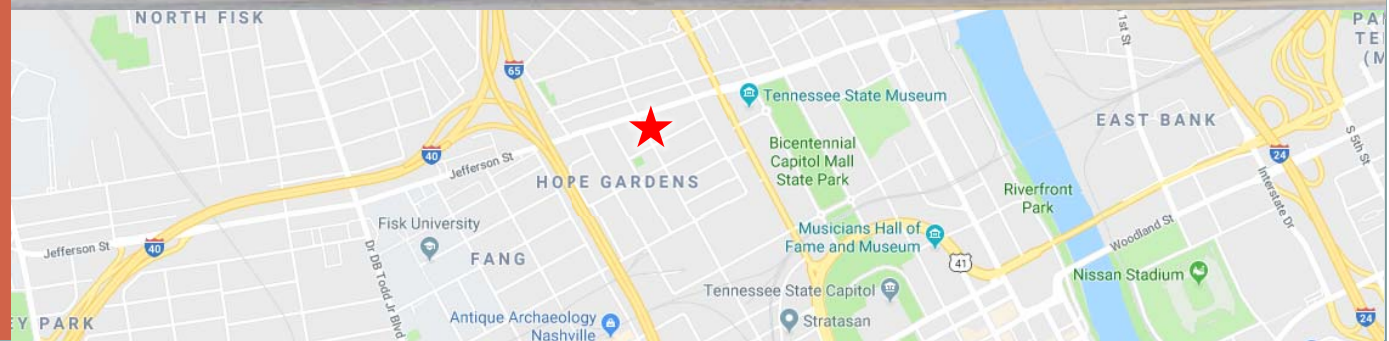
- 54 apartments in 3 stories over 1 level of parking
 - 15 Affordable
 - 39 Workforce
- Placed in service March 2018

Total Cost: \$10,818,718

HUD 221(d)4: \$7,875,600

MDHA Equity: \$2,853,802

TIF: \$89,316



KIRKPATRICK PARK

First Mixed-Income Development at Boscobel Heights

Location: 620 S. 9th Street,
Nashville, TN 37206

Architect: Smith Gee
Studios

Contractor: RG Anderson

- 94 one-bedroom 2-story townhomes and walk-ups
 - 36 PBRA
 - 20 Workforce
 - 38 Market Rate
- First units to be placed in service February 2019

Total Cost: \$26,751,000

HUD 221(d)4: \$13,776,500

MDHA Equity: \$8,973,550

Metro CIB: \$3,500,950

HOME: \$500,000



BOSCOBEL I

Second Mixed-Income Development at Boscobel Heights

Location: 806 S. 6th Street,
Nashville, TN 37206

Architect: Kline Swinney
Associates

Contractor: Hardaway
Construction Corp.

- 96 apartments in 3 buildings, each 4 stories over 1 level of parking
 - 50 PBRA
 - 24 Workforce
 - 22 Market Rate
- First units to be placed in service Fall 2019

Total Cost: \$28,204,872

LIHTC Equity: \$10,558,944

MDHA Equity: \$10,351,676

Perm Financing: \$7,000,000

NHTF Grant: \$294,252



BOSCOBEL II

Third Mixed-Income Development at Boscobel Heights

Location: 891 S. 6th Street,
Nashville, TN 37206

Architect: Kline Swinney
Associates

Contractor: Hardaway
Construction Corp.

101 units:

- 88 apartments in 2 buildings, each 4 stories over parking
- 13 townhomes
 - 45 PBRA
 - 15 Workforce
 - 41 Market Rate
- First units to be placed in service Fall 2019

Total Cost: \$34,230,000

LIHTC Equity: \$10,558,944

MDHA Equity: \$15,771,056

Perm Financing: \$7,400,000

HOME Grant: \$500,000



EXPLORE! SCHOOL

Expanding Access to High Quality Education at Boscobel Heights

Location: 701 S. 7th Street,
Nashville, TN 37206

Architect: JJCA

Contractor: RG Anderson

- K-8 School with 4 classes per grade,
- Specialized classrooms for science, language, music, and life skills
- 3-story building with 87,000 SF
- Opening Fall 2019

Total Cost: \$25,000,000

NMTC Equity: \$20,000,000

MDHA Equity: \$5,000,000

(Repaid to MDHA over 3 Years)



BOSCOBEL III

Fourth Mixed-Income Development at Boscobel Heights

Location: Corner of Dew Street & S. 7th Street

Architect: EOA

Contractor: Hardaway Construction Corp.

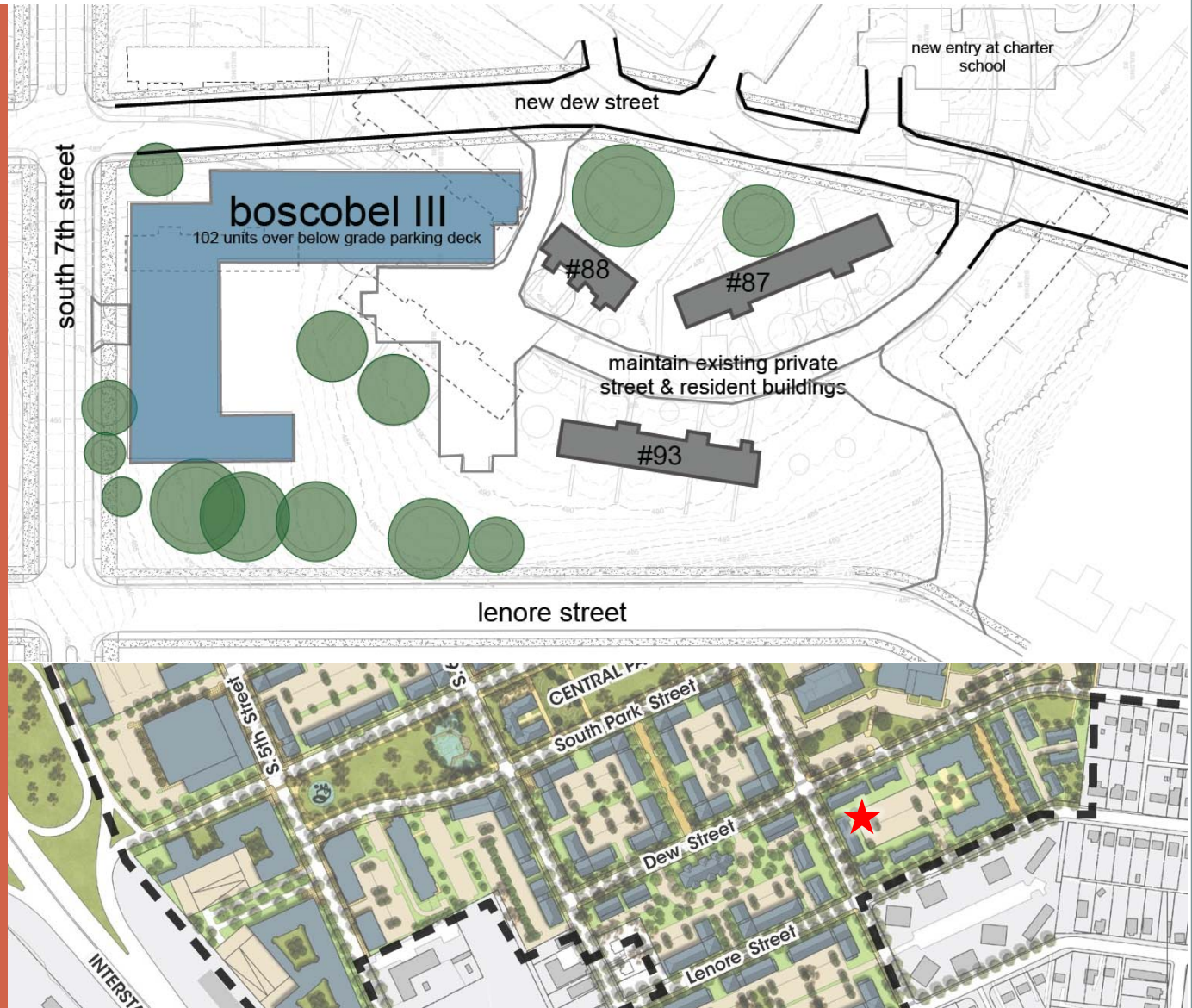
- Awarded 9% LIHTC
- In concept planning
- 102 apartments in 4 stories over parking
 - 45 PBRA
 - 15 Workforce
 - 42 Market Rate
- Anticipated to be placed in service Fall 2020

Total Cost: \$28,000,000

LIHTC Equity: \$10,500,000

MDHA Equity: \$10,000,000

Perm Financing: \$7,500,000



BORDEAUX TOWNHOMES

New Townhome development

Location: Dolan Road & Camilla Caldwell Lane

Architect: EOA

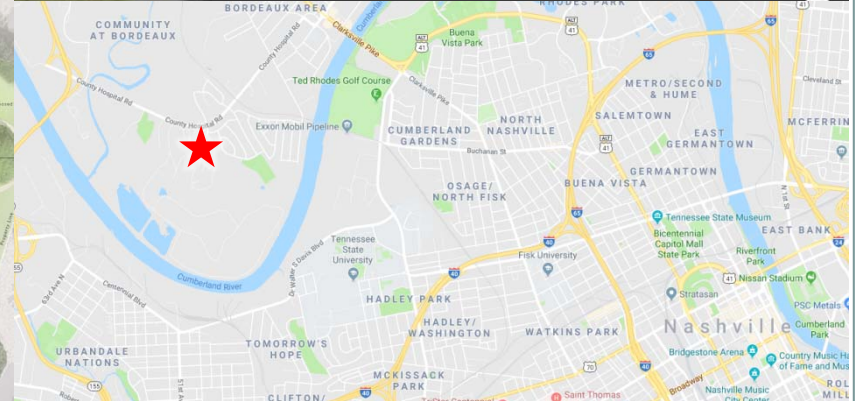
Contractor: RG Anderson

- 40 townhomes with surface parking
- 100% Workforce
- Anticipated to be placed in service Fall 2019

Total Cost: \$9,000,000

MDHA Equity: \$4,200,000

Financing: \$4,800,000



Curb - VICTORY HALL

Permanent Supportive House for Homeless Veterans

Location: 1125 12th Ave
South, Nashville, TN 37203

Developer: Giarratana LLC
Architect: ESa
Contractor: RG Anderson

- In Schematic Design: 39 Apartments in 4 stories over 1 level of parking
- Anticipated to be placed in service April 2020

Total Cost: \$7,000,000

Bonds: \$3,000,000

4% LIHTC: \$1,260,125

THDA Grant: \$500,000

Private Donors: \$500,000

Total: \$5,260,125

Gap: \$1,739,875

MDHA: Property Owner/Manager
Giarratanna LLC: Developer and Donor
Operation Stand Down: Veteran Supportive Services
Veterans Administration: VASH vouchers for Homeless Veteran rents
Donors: Closing the Equity Gap



FINANCING THE FUTURE

- **Community Investment Tax Credit (CITC)**
 - A Tennessee program providing both construction and mini-perm bank financing at Prime minus 4%
- **Walker and Dunlop HUD Insured Loans for Permanent Financing**
 - **HUD Mortgage Insurance Program 221(d)4**
 - ✦ Kirkpatrick HUD insured loan closed in Nov of last year (94 apartments mixed income)
 - ✦ 10th & Jefferson 54 apartments of mixed income
 - **HUD Mortgage Insurance Program 223f**
 - ✦ John Henry Hale
 - ✦ **Madison Towers debt sizer received**
 - Fannie Mae Tax Exempt Bond Collateral
 - Freddie Mac Tax Exempt Loan
- **Low-Income Housing Tax Credit (LIHTC)**
 - Won four 9% awards in a row with RAD set aside: Sam Levy significant rehab, Boscobel I, II and III
- **New Market Tax Credits**
 - Funds Explore School (28% of project value in tax credit equity)
 - Verbal commitment for 2018 credits (Library and Commissary)
- **Asset Equity**
- Housing Revenue bonds with Federal Home Loan Bank of Cincinnati Credit Enhancement
- Qualified Opportunity Zone (QOZ) investments
- Tax Increment Financing (TIF) for public-private partnerships
- Metro Funding Assistance under discussion